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Proposed programme budget for the biennium 2016-2017

Proposal for the seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific premises in Bangkok

Fourth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2016-2017

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the proposal for the seismic mitigation retrofit and life-cycle replacements project at the Economic and Social Commission for Asia and the Pacific (ESCAP) premises in Bangkok (A/70/356). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 14 October 2015.

I. Background

2. In his first report on the strategic capital review (A/68/733), the Secretary-General indicated that one of the potential future capital projects would be the ESCAP secretariat tower, where fire safety, seismic, window replacement and space usage efficiency would need to be addressed (A/68/733, para. 28). In his next report on the subject (A/69/760), it was stated that a seismic mitigation project was proposed at ESCAP for the secretariat and service buildings, as those had been built in 1975 and did not meet the current seismic codes. The report indicated that the proposed project related primarily to health and safety, but also to the life-cycle replacement works that would be most economical to perform in conjunction with required seismic mitigation measures (A/69/760, paras. 39-40). The total cost of the proposed project was estimated at $26.2 million, with the following sequencing: $5.5 million for the 2018-2019 biennium; $5.9 million for the 2020-2021 biennium; $4.6 million for the 2022-2023 biennium; $5.1 million for the 2024-2025 biennium; and $5.1 million for the 2026-2027 biennium (ibid., figure 1).

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3. Subsequently, the Secretary-General's proposed programme budget for the biennium 2016-2017 included a request for resources in the amount of $9 million for costs related to the proposed first phase of the project, comprising the establishment of a project management team, consultancy costs and the start of construction work to create swing space (A/70/6 (Sect. 33), para. 33.45). In its first report on the proposed programme budget for the biennium 2016-2017 (A/70/7), the Advisory Committee recommended against the requested resources, noting that the prior report of the Secretary-General on the strategic capital review (A/69/760) had not included resource requirements for the biennium 2016-2017 and that the cost estimates were preliminary in nature, and considered that it was not appropriate to include them in the proposed programme budget for that biennium. The Committee also stressed that a consistent approach to presenting projects and related estimates must be adhered to and that proper justifications must be provided to substantiate the cost estimates and revisions (A/70/7, paras. XI.14 and XI.17-XI.19).

4. The Secretary-General also indicated in his proposed programme budget for the biennium 2016-2017 that detailed information on the scope, schedule and total cost of the proposed project would be presented to the General Assembly for its consideration at the main part of the seventieth session (A/70/6 (Sect. 33), para. 33.45). The Secretary-General accordingly submitted document A/70/356.

II. Scope of the proposed project

5. The report states that a seismic evaluation undertaken by a structural engineering consultant revealed the need to undertake extensive mitigation measures, particularly for the secretariat building, and to a lesser extent the service building, in order for the buildings to be compliant with the current design standards for seismic resistance necessary for the safety of users. In the seismic evaluation report, it was recommended that the secretariat building be structurally retrofitted at the core and on the exterior walls of the office blocks in order to meet current collapse-prevention performance standards. It was also recommended that some structural remedial measures be undertaken at the connection points between the secretariat and service buildings in order to meet current collapse-prevention performance standards (A/70/356, paras. 10-11).

6. According to the Secretary-General, given that the works would require the demolition of some existing building elements, the most cost-effective approach would be a renovation that also includes building components that have reached the end of their useful lives. The proposed scope would therefore entail a structural retrofit of the secretariat building and conjoined areas of the service building; repair of the exterior building façade and replacement of its glazing and insulation; replacement of the roof; alignment of the electrical and mechanical systems with the applicable building codes; modernization of the toilet areas; refurbishment of the adjoining elevator lobbies; other life-cycle replacements or upgrades of installations; and modernization of interior spaces (ibid., paras. 17-18).

7. Upon enquiry as to the seismic risk, the Advisory Committee was informed that ESCAP was considered a medium-high risk and that Bangkok, although located at a remote distance from seismic sources, was at risk of damaging earthquake ground motions. The Committee was also informed that active faults in Nakhon Nayok, close to Bangkok, coupled with the particular soil and bedrock characteristics

of the Bangkok area, magnified the seismic forces in the city, making the threat higher. In addition, the Committee was informed that specific deficiencies of the building at ESCAP relative to the identified threat level had prompted the Secretariat to prioritize the proposed project. The Committee was provided with the approximate peak ground acceleration, which provides a measurement of the ground shaking recorded by various instruments, for various United Nations entities, based on the probabilistic 10 per cent-in-50-years peak ground acceleration values, according to the seismic hazard analysis developed by the United States Geological Survey under its Global Seismic Hazard Assessment Programme:

ECLAC	1.76 g
ESCWA	1.33 g
ECA	0.45 g
UNOV	0.33 g
UNOG	0.32 g
ESCAP	0.22 g
UNON	0.20 g
UNHQ	N/A

Abbreviations: ECA, Economic Commission for Africa; ECLAC, Economic Commission for Latin America and the Caribbean; ESCAP, Economic and Social Commission for Asia and the Pacific; ESCWA, Economic and Social Commission for Western Asia; UNHQ, United Nations Headquarters; UNOG, United Nations Office at Geneva; UNON, United Nations Office at Nairobi; UNOV, United Nations Office at Vienna.

The Committee was also informed upon enquiry that, under the Mercalli instrumental intensity scale, the peak ground acceleration for ESCAP would be classified under "moderate potential damage to resistant structures" and "moderate/heavy potential damage to vulnerable structures". **The Advisory Committee is of the view that the Secretary-General should also have provided information on the official national standards in relation to the seismic threat.**

8. The Committee requested information on the specific works to be undertaken to address the seismic risk and was informed of three potential retrofit schemes presented by the structural engineering consultant: (a) add conventional steel braced frames at the ends of the building to absorb seismic forces, reduce stresses in the central core and reduce torsional effects; (b) add energy dissipation devices with associated steel frames at the ends of the building where major forces act and displacement takes place, including buckling-restrained braces; and (c) enclose the existing reinforced concrete core structure with a steel braced frame to absorb all horizontal forces. The Committee did not receive further information on the precise nature of the works that would be undertaken in the proposed project.

9. Upon enquiry as to the relation between the seismic and renovation components of the proposed project, the Advisory Committee was informed that the primary objective of the proposed project was to protect the building against seismic threats, with the benefit of performing renovation works concurrently in a cost-

effective manner. The Committee requested information delineating the seismic and renovation components of the proposed project and was instead provided with information on the following two components: seismic mitigation measures and renovation works, on the one hand, and life-cycle replacement works, on the other. The Committee did not receive information separating the seismic component from the renovation component, which would have clarified the linkage between the proposal and the primary objective.

10. **The Advisory Committee notes the conclusions from the seismic evaluation report regarding the seismic risk at ESCAP and regrets that the Secretary-General's proposal lacks clarity and specificity on the proposed construction works to address this risk. The Committee considers that the seismic threat bears serious consideration, and the proposal should have clearly delineated the works proposed to address the seismic risk and the works related to other components of the project, such as renovation works. From the current proposal, it is not clear that the scope of the proposed project is aimed primarily at addressing the seismic threat. Furthermore, given the primary objective of protecting the ESCAP building against seismic threats, the Committee is of the view that the report of the Secretary-General should have included an option to address the seismic risk, if considered urgent, on its own and not in combination with renovation, life-cycle replacement or other works, taking into account that those latter works would be considered in the context of the strategic capital review.**

11. The Committee was also informed upon enquiry that the project included the modernization of computer systems and network infrastructure components as part of the overall building systems upgrades. **The Committee is of the view that capital project proposals that have an information and communications technology component should include an assessment by the Office of Information and Communications Technology as to the necessity, design and cost of the proposed works.**

III. Schedule of the proposed project

12. The report of the Secretary-General indicates that the project plan has three phases: phase 1, assessment of the buildings' structure and condition, which was completed in 2014; phase 2, preparation of detailed design information, bills of quantities and technical specifications, leading to the development of the bidding documents; and phase 3, implementation of the renovation works. The project design, as well as the construction of the on-site swing space in ESCAP premises, are proposed to take place during the biennium 2016-2017, to be followed by the renovation taking place over the subsequent five bienniums from 2018 to 2027 (A/70/356, paras. 19 and 43-44).

13. It is proposed that the renovation works be conducted by emptying four floors of the secretariat building at one time and moving staff into swing spaces. The construction zone would be limited to two floors at a time, with one buffer floor above and below the construction zone, and the renovation of each floor expected to take approximately six months. Major disruptive works would be carried out after office hours and over the weekends. It is stated that approximately 5,000 square metres of swing space would be needed for the duration of the renovation, with

approximately 800 to 1,000 square metres within the Commission premises, and the additional 4,000 square metres being sought off-site, by requesting the host country to provide the necessary space and simultaneously engaging a real estate company to identify suitable commercially leased office space in Bangkok (ibid., paras. 38 and 40-42).

14. Upon enquiry as to the reason for the length of the proposed project over six bienniums, the Advisory Committee was informed that this was due to the proposed multiphase implementation method of emptying four floors of the secretariat building at a time to execute works while leaving the rest of the building occupied. The Committee was also informed that a single-phase implementation would take 60 months (5 years), or approximately half of the time currently projected with the multiphase implementation. The Committee was also informed that a single-phase implementation, that is, retrofitting the ESCAP secretariat building at one time by emptying all three buildings, was rejected in favour of the current proposal for the following reasons: the potential difficulty and cost of locating swing space to accommodate all staff; the need to provide security, information and communications technology, and conference services for the swing space; and the loss of rental income from tenants, such as the International Labour Organization and the United Nations Development Programme. The Committee requested data on the impact on project cost and length of conducting the major construction work outside office hours only and was informed that such data were presently unavailable. The Advisory Committee notes in this regard that the Secretary-General's proposals related to the capital master plan and strategic heritage plan projects included options as to implementation and project length.

15. **The Advisory Committee notes the exceptional length of the proposed project and is not convinced that the current proposal represents the most cost-effective or efficient method of implementation. Furthermore, the Committee considers that the Secretary-General should have presented a range of implementation options, including a single-phase option, with detailed plans and costing estimates related to each option and a comparison of the options, for consideration by the General Assembly. The proposal should also have included a cost-benefit analysis of the implementation options, including the option of conducting the major construction works outside working hours only.**

16. Upon enquiry as to the swing space arrangements, the Committee was informed that a maximum of 400 personnel could be in the swing space at any one time, for a period of approximately six months to one year. The Committee was also informed that, to date, there had been no pledge by the host country to provide swing space and that the Secretariat would not undertake the leasing of commercial space until a definitive reply was received from the host country. The Committee was provided with table 1 below, which shows the cost of rental of swing space.

Table 1

(United States dollars)

Swing space	*2016*	*2017*	*2018*	*2019*	*2020*	*Total*
1. On-site						
1200 m^2 designed and constructed on-site for essential staff at a cost of $500 per m^2	230 000	610 000	–	–	–	840 000
2. Off-site						
4000 m^2 rented off-site at a cost of $250 per m^2	–	500 000	1 000 000	1 000 000	250 000	2 750 000
Furniture for 240 workstations	–	–	528 000	10 000	–	538 000
Information technology systems	100 000	300 000	50 000	50 000	–	500 000
Access control system	114 600	220 000	10 000	10 000	–	354 600
Movements contractor for relocation of staff	–	150 000	300 000	40 000	–	490 000
Security support services	–	210 000	200 000	100 000	–	510 000
Maintenance and operations (allowance)	–	57 400	90 000	40 000	–	187 400
Total	**444 600**	**2 047 400**	**2 178 000**	**1 250 000**	**250 000**	**6 170 000**

17. **The Advisory Committee notes that the host country was approached at the same time as a real estate company to secure off-site swing space and emphasizes that the host country should have been approached first and at an early stage for the possible provision of swing space before any steps were taken regarding the commercial leasing of swing space.**

18. With respect to space usage, the Committee was informed upon enquiry that the average office space per staff in the swing space would measure 12.5 square metres. After the completion of the project, the space required to support current ESCAP operations would be reduced through the implementation of alternative space guidelines aimed at rationalizing and reducing personal space and through possible implementation of flexible workplace strategies. The Committee recalls that the General Assembly, in its resolution 69/274 A, endorsed the Committee's recommendation that the Secretary-General assess the potential for application of flexible workplace strategies in all duty stations across the Organization (A/69/810, para. 31).

19. The report of the Secretary-General also states that once the lead design firm is brought on board, a specialized study regarding the current state of asbestos and other hazardous materials used in the construction of the buildings would be undertaken at the start of the design phase (A/70/356, para. 39). Upon enquiry as to why the asbestos study was not undertaken prior to planning, the Advisory Committee was informed that ESCAP conducted an assessment of its complex for asbestos in 2001, during which magnesium silicate was found in non-friable form in the floor tiles originally installed in the building, while the risk of discovering friable asbestos was determined to be extremely remote. **The Advisory Committee is of the view that the specialized asbestos and other hazardous materials study should be conducted prior to project planning to ensure the health and safety of**

staff and construction personnel in the premises, particularly if the method of implementation envisages that staff would remain in the building during the construction works.

IV. Governance and project management

Governance and oversight

20. The report indicates that the project owner would be the Executive Secretary of ESCAP, while the Central Support Services Section within the Division of Administration of ESCAP would coordinate with the Office of Central Support Services at Headquarters in New York and maintain oversight of the project management team that would be responsible for the execution and day-to-day management of the project. In addition, it is proposed that a stakeholders committee composed of members from other secretariat offices and other stakeholders based within ESCAP premises be established to assist the Executive Secretary and the project management team in managing the project (ibid., paras. 20-23).

21. In this context, the Advisory Committee recalls that the General Assembly requested the establishment of an Advisory Board for the capital master plan (see resolutions 57/292 and 62/87) and strategic heritage plan projects (see resolution 69/262). In its resolutions, the Assembly emphasized that the Advisory Board must be independent and impartial, with its membership reflecting a wide geographical representation while ensuring the required expertise. **The Advisory Committee is of the view that the establishment of an independent and impartial Advisory Board, made up of members reflecting a wide geographical representation while ensuring the required expertise, should also be considered for the proposed ESCAP project in order to strengthen its governance.**

22. Upon enquiry as to the role of the Office of Central Support Services, the Advisory Committee was informed that it would provide ESCAP with technical guidance and advice on the project, ensure that the project complies with overall organizational objectives, share lessons learned from other capital projects and coordinate with New York-based project stakeholders. The Committee was also informed that, within the Office, the Overseas Properties Management Unit would engage the ESCAP project management team on a regular basis, at a minimum through fortnightly conference calls, to provide guidance on technical and working-level management issues and participate in key project activities, such as the development of tender documents and technical evaluations for consultancies and construction services. The Committee was further informed that regular videoconferences would be conducted at the level of the Assistant Secretary-General for Central Support Services and the Executive Secretary of ESCAP. **The Advisory Committee considers that the Office of Central Support Services in New York should be actively involved in overseeing the proposed project at ESCAP to ensure the central supervision of capital projects, including risk management, and alignment with lessons learned.**

23. With respect to the stakeholders committee, the Advisory Committee was informed upon enquiry that the committee members would provide guidance and advice on matters within their areas of expertise and responsibility, such as ESCAP security or information technology, and would not be empowered to make additions affecting the project scope or validate cost or scope increases.

Project management team

24. The proposed project management team would comprise a Project Manager (P-4); a Building Services Engineer (P-3); a Civil Engineer (P-3); a Communications, Planning and Logistics Officer (National Officer); a Site Safety Officer (National Officer); a Project Administrative Assistant (Local level); and an Off-site Office Coordinator (Local level). It is also proposed that project support be provided by one Procurement Specialist (P-3), one Security Officer (Local level) and one Information Technology Assistant (Local level) (A/70/356, paras. 26 and 28). Paragraphs 29 to 33 of document A/70/356 set out the various deployment periods for the individual team members.

25. Upon enquiry as to the designation of a project manager at the P-4 level, the Advisory Committee was informed that there were no established standards within the Secretariat for setting the level of a project manager for capital projects and that the level depended on the size, cost and complexity of the project, as well as the availability of skills in the region and in ESCAP. In this instance, given that most of the technical and administrative support would be provided by the Central Support Services Section of ESCAP, which is headed by a Chief at the P-5 level, it was determined that the project manager, who reports to the Chief, should be at the P-4 level. **The Advisory Committee trusts that the Secretary-General will review the appropriate level of management for the proposed project.**

Consultants

26. In addition, the Secretary-General proposes external consultancies for a lead architectural and engineering design firm and an independent risk management firm. The lead architectural and engineering design firm would provide seismic engineering, architectural and engineering design and construction management services; produce the actual detailed design and construction documents prior to the procurement of renovation services; develop the implementation master plan; coordinate all the design activities, including seismic mitigation measures and building systems; and oversee the phased construction (ibid., paras. 34 and 54).

27. It is proposed that an independent risk management consultancy firm be engaged to provide an independent assessment of the project actions; perform risk management and quality assurance tasks and produce an overall risk strategy; assist in identifying and mitigating any risks to the successful delivery of the project; and propose a risk monitoring process including a risk register. The firm would also be responsible for developing and implementing the overall risk management strategy for the project in accordance with risk and compliance reporting standards, the governance and controls structure of the project, and United Nations audit requirements (ibid., paras. 35-37 and 54). Upon enquiry, the Advisory Committee was informed that the risk management consultancy firm would also carry out the function of third-party project assurance. **The Advisory Committee notes that the proposed risk management consultancy firm would carry out the function of independent project assurance. In this regard, the Committee recalls that the Board of Auditors, in its report on the capital master plan for the year ended 31 December 2013 (A/69/5 (Vol. V)), recommended that the Administration apply independent project assurance to all major projects, as there is currently no established approach to providing independent project assurance in the United Nations (summary, para. 25 (b)). In its related report, the Committee**

recommended the implementation of this recommendation (A/69/529, para. 7), which was subsequently endorsed by the General Assembly in its resolution 69/274 A. Furthermore, in line with paragraph 22 above, the Committee considers that the Office of Central Support Services in New York should also be actively involved in project risk management to ensure a coherent overall approach to risk management, including on the contingency provision, and to ensure that lessons learned from other capital projects are applied.

V. Proposed project costs

28. For the biennium 2014-2015, a provision of $500,000 was included under section 33, Construction, alteration, improvement and major maintenance, of the programme budget to engage a seismic consultant to undertake the design of the seismic mitigation measures (A/70/356, para. 47). For the six bienniums from 2016 to 2027, the estimated total costs of the proposed project in the amount of $35,189,900 are set out in table 1 of the report of the Secretary-General. The Committee was informed upon enquiry that there were no separate associated costs and that all costs related to the implementation of the project had been included in the cost estimates. Upon enquiry as to the breakdown of the proposed costs by biennium, the Advisory Committee was provided with the table in annex I to the present report. The Committee was also provided with the table in annex II showing a breakdown by biennium of the proposed costs related to the project management and support staff. **Given its overall recommendation on the proposed project in paragraph 38 below, the Advisory Committee refrains from making detailed comments at this stage on the specific resource requirements requested.**

29. With regard to cost sharing with other organizations located within ESCAP premises, the Committee was informed upon enquiry that there was at present no plan to charge specialized agencies, funds and programmes any one-time capital costs related to the proposed project but that it was expected that rental rates could increase following the completion of the project, as ESCAP premises would have been modernized as a result. With respect to host country contributions towards the project costs, the Committee was informed upon enquiry that there was no precedent of the host country providing such support to other United Nations entities, although the host country would be approached for assistance in providing non-commercial property for temporary swing space (see paras. 13 and 16 above). **The Advisory Committee recalls that, in the context of the strategic heritage plan project, the Secretary-General made efforts to seek voluntary contributions from Member States, the private sector and foundations with the objective of raising funds for the renovation part of the project, as well as the sponsorship of the renovation of specific rooms by Member States (A/69/580, para. 66). The Committee is of the view that the same approach could be considered for the proposed ESCAP project.**

Contingency

30. Paragraph 49 of the report indicates that the contingency provision in the amount of $2,532,600 was developed on the basis of a traditional percentage method, taking into consideration past experience with similar projects and other variables, on the basis of which the contingency provision has been established at 10 per cent of the estimated construction cost of the project, inclusive of

consultancy fees. The Committee notes in this regard that different contingency levels have been applied in the capital projects undertaken by the Organization, as follows: capital master plan — 20 per cent; International Residual Mechanism for Criminal Tribunals in Arusha — 15 per cent; United Nations Office at Nairobi and the new office facilities for the Economic Commission for Africa — 10 per cent; and renovation of the Africa Hall Building — 20 per cent (A/68/585, para. 74, and A/70/363, para. 65).

31. Upon enquiry, the Advisory Committee was informed that it was standard practice, both in the industry and in the Organization, for contingency provisions to be applied to both the construction trade costs and the consultancy fees, as unforeseen conditions may arise in both the design and construction phases of the project.

32. With respect to the use of the contingency, the Advisory Committee was informed upon enquiry that it would be used to cover the uncertainty and variability of the project cost estimates arising from foreseen and/or unforeseen risk events but would not be used to cover changes in project costs arising from changes in project scope and unforeseen force majeure events. The Committee was also informed that, once a contingency allowance is approved, it would be held outside the base project budget, and that any charges to the contingency fund would be approved only at the project owner level, with the contingency amount being monitored and reassessed throughout the project life cycle.

33. The Committee was also informed that the day-to-day management of the contingency fund would be developed within the guidelines for the management of construction projects currently being finalized by the Office of Central Support Services, which would include provisions on the overall contingency management process, such as procedures for the use of contingency funds, approval of charges to the contingency fund, and reporting on the use of contingency funds. The Committee was informed that the guidelines, to be completed in December 2015, would have a detailed risk management section covering risk identification, risk analysis, risk response planning (including risk-based contingency estimation) and risk monitoring and control. The Committee also notes in this regard that the proposed costs do not include an escalation clause, unlike other capital projects.

34. **The Committee recalls its recommendations regarding contingency in respect of other capital projects, including the importance of estimating the contingency requirement on the basis of an assessment of the potential risks faced in each of the phases of the renovation project (A/69/415, para. 34). The Committee reiterates its previous recommendations on the determination, allocation and reporting of contingency funds (see A/67/548, A/68/585, A/68/808 and A/69/415). The Committee expects that the guidelines for the management of construction projects will address the contingency requirement in projects in detail, including the presentation of the contingency separately from the proposed project costs, the calculation of the contingency provision based on risk analysis, and the process for return of unused contingency funds, taking into account its previous recommendations.** The Committee makes further observations on the use of contingency in its reports on the second annual progress report of the Secretary-General on the strategic heritage plan of the United Nations Office at Geneva and on his report on progress in the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa and the renovation of conference facilities, including Africa Hall.

Resource requirements for the biennium 2016-2017

35. With respect to the biennium 2016-2017, the amount of $7,914,600 is proposed and represents a revised estimate from the amount of $9,000,000 previously requested in the context of the proposed programme budget, as mentioned in paragraph 3 above. The proposed resource requirements for 2016-2017 are broken down as follows: (a) under section 19, Economic and Social Commission for Asia and the Pacific, the amount of $967,000 for other staff costs with respect to the project management team and support staff under general temporary assistance; and (b) under section 33, Construction, alteration, improvement and major maintenance, the amount of $1,573,000 for consultants and the amount of $5,374,600 for contractual services (A/70/356, paras. 51-55 and tables 2 and 3). Upon enquiry as to the revised estimate, the Committee was provided with table 2 below, which shows a breakdown of the variation between the initial and revised estimates.

Table 2

(United States dollars)

Cost component	*Initial estimates for 2016-2017*	*Revised estimates for 2016-2017*	*Variation*
1. Trade costs:			
(a) Seismic mitigation measures and renovation works			
Structural deficiencies	4 393 973	4 641 573	247 600
Architectural upgrades	244 427	244 427	–
Roof repairs	–	–	–
(b) Life-cycle replacement works			
Kitchen upgrades	–	–	–
Utilities: water systems	–	–	–
Air handling unit replacement	–	–	–
Utilities: HVAC system	–	–	–
Electrical, low-voltage and ICT systems	–	–	–
General capital maintenance	–	–	–
Subtotal, 1	**4 638 400**	**4 886 000**	**247 600**
2. Consultancy fees	1 430 000	1 430 000	–
3. Project management costs	2 146 500	967 000	(1 179 500)
Subtotal, 1-3	**8 214 900**	**7 283 000**	**(931 900)**
4. Contingency	785 100	631 600	(153 500)
Total project costs	**9 000 000**	**7 914 600**	**(1 085 400)**

36. The Committee was also provided with a breakdown of the requirements of $1,573,000 proposed under consultants, comprising the amount of $1,258,400, proposed for the lead architectural and engineering consultancy service, and the amount of $314,600, proposed for the independent risk management consultancy service.

VI. Conclusion

37. The actions to be taken by the General Assembly requested by the Secretary-General are contained in paragraph 58 of his report. **For the reasons set out in the preceding paragraphs, the Committee is of the view that the report of the Secretary-General lacks clarity and detail, and it is therefore not convinced of the soundness of the proposal. In particular, the Committee considers that the proposal should have included a range of detailed and costed options for consideration by the Assembly, including options as to the nature of the works to be performed (seismic, renovation or other works or a combination thereof) and options as to the method of implementation (single-phase or multiphase).**

38. **Therefore, the Advisory Committee recommends against approval of the proposed project and the requested actions set out in paragraph 58 (a) to (e) of the report of the Secretary-General. Should the Secretary-General wish to submit a new project proposal with respect to the ESCAP premises, the Committee trusts that he will take into account its observations above, especially in paragraphs 7, 10, 11, 15, 17, 19, 21, 22, 25, 27, 29, 34 and 37.**

Annex I

Seismic mitigation and life-cycle replacement project

Detailed cost plan

Cost component	*2016*	*2017*	*2018-2019*	*2020-2021*	*2022-2023*	*2024-2025*	*2026-2027*	*Total*
1. Trade costs:								
(a) Seismic mitigation measures and renovation works								
Structural deficiencies	830 000	3 811 573	3 907 721	1 066 206	–	–	–	9 615 500
Architectural upgrades	–	244 427	229 855	1 164 892	1 164 892	1 160 000	1 117 000	5 081 066
Roof repairs	–	–	68 395	58 395	–	–	–	126 790
(b) Life-cycle replacement works								
Kitchen upgrades	–	–	7 822	7 822	15 895	–	–	31 539
Utilities: water systems	–	–	–	134 000	134 000	140 000	125 000	533 000
Air handling unit replacement	–	–	–	590 581	630 581	680 000	710 000	2 611 162
Utilities: HVAC system	–	–	–	20 883	43 469	135 000	120 000	319 352
Electrical, low-voltage and ICT systems	–	–	–	1 100 000	1 100 000	1 000 000	1 000 000	4 200 000
General capital maintenance	–	–	200 000	56 315	56 315	135 833	178 833	627 296
Subtotal, 1	**830 000**	**4 056 000**	**4 413 793**	**4 199 094**	**3 145 152**	**3 250 833**	**3 250 833**	**23 145 705**
2. Consultancy fees	430 000	1 000 000	176 552	167 964	125 806	140 033	140 033	2 180 388
3. Project management costs	206 000	761 000	2 112 200	1 559 200	1 039 600	1 039 600	613 600	7 331 200
Subtotal, 1-3	**1 466 000**	**5 817 000**	**6 702 545**	**5 926 258**	**4 310 558**	**4 430 466**	**4 004 466**	**32 657 293**
4. Contingency	126 000	505 600	459 035	436 706	327 096	339 087	339 087	2 532 611
Total project costs	**1 592 000**	**6 322 600**	**7 161 580**	**6 362 964**	**4 637 654**	**4 769 553**	**4 343 553**	**35 189 904**

Annex II

Proposed project management staff schedule

(United States dollars)

	Start date	*End date*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*	*2026*	*2027*	*Total*
Project Manager (1 P-4)	June 2016	Dec. 2027	91 300	160 200	160 200	160 200	160 200	160 200	160 200	160 200	160 200	160 200	160 200	160 200	1 853 500
Project Administrative Assistant (1 LL)	June 2016	Dec. 2027	40 700	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	847 000
Procurement Specialist (1 P-3)	June 2016	Dec. 2023	74 000	129 900	129 900	129 900	129 900	129 900	–	–	–	–	–	–	723 500
Civil Engineer (1 P-3)	Jan. 2017	Dec. 2019	–	129 900	129 900	129 900	–	–	–	–	–	–	–	–	389 700
Communications/ Logistics/Planning Officer (1 NO-B)	Jan. 2017	Dec. 2027	–	106 500	106 500	106 500	106 500	106 500	106 500	106 500	106 500	106 500	–	–	958 500
Building Services Engineer (1 P-3)	June 2017	Dec. 2027	–	75 800	129 900	129 900	129 900	129 900	–	–	–	–	–	–	595 400
Off-site Office Coordinators (1 LL)	June 2017	Dec. 2019	–	42 700	73 300	73 300	–	–	–	–	–	–	–	–	189 300
Off-site IT Support Assistant (1 LL)	June 2017	Dec. 2019	–	42 700	73 300	73 300	–	–	–	–	–	–	–	–	189 300
Site Safety Officer (1 NO-B)	Jan. 2018	Dec. 2027	–	–	106 500	106 500	106 500	106 500	106 500	106 500	106 500	106 500	–	–	852 000
Security Officer (1 LL)	Jan. 2018	Dec. 2027	–	–	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	73 300	733 000
Total			**206 000**	**761 000**	**1 056 100**	**1 056 100**	**779 600**	**779 600**	**519 800**	**519 800**	**519 800**	**519 800**	**306 800**	**306 800**	**7 331 200**